

2009 DRAFTING REQUEST

Bill

Received: **12/02/2008**

Received By: **rchampag**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Grinde**

This file may be shown to any legislator: **NO**

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **State Finance - miscellaneous
Legislature - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Grinde, BB0243 -

Topic:

Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Instructions:

See attached.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/1	rchampag 12/02/2008	kfollett 12/02/2008	rschluet 12/02/2008	_____	sbasford 12/02/2008		
/2	rchampag 12/02/2008	kfollett 12/02/2008	rschluet 12/02/2008	_____	mbarman 12/02/2008		
/3	rchampag 12/08/2008	kfollett 12/08/2008	phenry 12/08/2008	_____	sbasford 12/08/2008		

FE Sent For:

<END>

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DOA:.....Grinde, BB0243 -

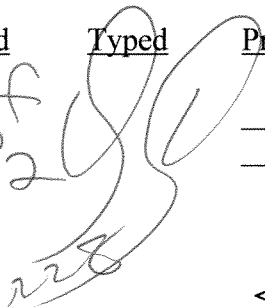
Topic:

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/?	rchampag	11/5f 12/2		==			

FE Sent For:

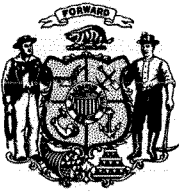
<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Exclude Tobacco Settlement Appropriation Bond Repayment from GPR Appropriation Limitation
- Tracking Code: BB0243
- SBO team: Tax, Transportation and Budget Development
- SBO analyst: Kirsten Grinde
 - Phone: 266-1040
 - Email: kirsten.grinde@wisconsin.gov
- Agency acronym: DOA
- Agency number: 505
- Priority (Low, Medium, High): High

Intent:

Modify s. 13.40(3) and (3m) to exclude the appropriation under s. 20.505(1)(bq) – Appropriation obligations repayment; tobacco settlement revenues – from the biennial GPR appropriation authority limit calculated under s. 13.40(2).



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0976/1

RAC:...

DOA:.....Grinde, BB0243 - Exclusion of tobacco settlement appropriation
obligation repayment from GPR appropriation cap

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

Don't Gen

1 AN ACT ...; relating to: the budget bill.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

Current statutes contain a rule of procedure governing legislative action on certain bills affecting general purpose revenue (GPR). Generally, the rule provides that the amount appropriated from GPR may not exceed the amount appropriated from GPR in the prior fiscal year, increased by any percentage increase in this state's aggregate personal income. There are a number of exclusions under current law from this GPR appropriation limitation. This bill provides that any amount appropriated to pay debt service on appropriation obligations issued to purchase tobacco settlement revenues is excluded from the limitation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 13.40 (3) (jm) of the statutes is amended to read:

3 13.40 (3) (jm) An appropriation under s. 20.505 (1) (bq) and (br).

History: 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 226.

4

(END)

Champagne, Rick

From: Grinde, Kirsten - DOA [kirsten.grinde@wisconsin.gov]
Sent: Tuesday, December 02, 2008 12:43 PM
To: Champagne, Rick
Subject: RE:

Rick,

The cleanest approach seems to be to repeal (3m) as you suggest. Please include it in the draft.

Thanks,

Kirsten

From: Champagne, Rick [mailto:Rick.Champagne@legis.wisconsin.gov]
Sent: Tuesday, December 02, 2008 10:12 AM
To: Grinde, Kirsten - DOA
Subject:

Kirsten:

Quick question for you on BB0243 relating to excluding tobacco settlement appropriation bon repayments from the GPR spending limit. You wish for me to exclude the appropriation for such repayment from both s. 13.40 (3) and (3m). Please note that (3m) only applies to appropriations in 2003-04, 2004-05, and 2005-06. I can obviously exclude the appropriation from sub. (3), which makes sense, but I should just repeal (3m) and not amend it to exclude the appropriation for such repayment. Please advise.

Rick



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0976/1

RAC:kjf:rs

RMR

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13.40 (3) (jm) An appropriation under s. 20.505 (1) (bq) and (br).

4

(END)

Insert B

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0976/2ins
RAC:kjf:rs

Insert A:

SECTION 1. 13.40 (2) (intro.) of the statutes is amended to read:

13.40 (2) (intro.) Except as provided in ~~subs.~~ sub. (3) ~~and (3m)~~, the amount appropriated from general purpose revenue for each fiscal biennium, excluding any amount under an appropriation specified in sub. (3) (a) to (i), as determined under sub. (4), may not exceed the sum of:

History: 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 226.

Insert B:

SECTION 2. 13.40 (3m) of the statutes is repealed.

Champagne, Rick

From: Grinde, Kirsten - DOA [kirsten.grinde@wisconsin.gov]
Sent: Monday, December 08, 2008 1:43 PM
To: Champagne, Rick
Subject: FW: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Rick,

Please see Reed Groethe's (Bond Counsel) comments below regarding the listing of the tobacco settlement appropriation obligation repayment exclusion. Please modify LRB 0976/2 to list the appropriation under s. 20.505 (1) (bq) separately.

In his last paragraph, he raises a question about the transfer from the permanent endowment fund to the medical assistance trust fund. Since the permanent endowment fund was created as a separate fund (therefore, SEG), I assume that the limitation does not affect the transfer. Please verify.

Let me know if you have any questions.

Thanks,

Kirsten

From: Hoadley, Frank R - DOA
Sent: Wednesday, December 03, 2008 11:27 AM
To: Grinde, Kirsten - DOA
Subject: FW: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Kirsten -

Reed has a couple of suggestions.

Frank

From: Groethe, Reed [mailto:reed.groethe@foley.com]
Sent: Tuesday, December 2, 2008 7:19 PM
To: Hoadley, Frank R - DOA
Cc: Reicher, David M.
Subject: RE: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

From the Desk of: Reed Groethe


FOLEY & LARDNER LLP
www.foley.com

[My Location](#) [My V-card](#) [My Bio](#)

Frank:

I agree that an amendment is appropriate so that both the (bq) and (br) appropriations will be exempted from the limitation on GPR appropriations.

12/08/2008

I suggest changing the text so that the conjunction "and" is not used in line 4 of page 2. One way to do that would be to change the "and" to "or". Another way (and to my thinking, a better way) would be not to amend 13.40 (3) (jm) but rather create a new paragraph that reads "An appropriation under s. 20.505 (1) (bq)". The reason is that the introductory language of 13.40 (3) says that the limitation "does not apply to any of the following", and thus the creation of a new paragraph avoids the and/or decision.

I understand that it is not necessary to include the (iq) and (it) appropriations because they are PR appropriations. Presumably the (iw) appropriation is also a PR appropriation (but I have not checked that). Also, is the transfer from the Permanent Endowment Fund to the Medical Assistance Trust Fund (which is provided for in s. 25.69) also exempt for the limitation on GPR appropriations?



From: Hoadley, Frank R - DOA [mailto:frank.hoadley@wisconsin.gov]
Sent: Tuesday, December 02, 2008 1:46 PM
To: Groethe, Reed
Subject: FW: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Reed –

I instigated the attached amendment when I saw a formal notice from the Legislative Fiscal Bureau about this (obscure) limitation. I was somewhat alarmed when I noticed that the pension ob bonds were excluded, but no mention made of the tobacco refunding bonds. Please advise regarding any concerns.

Frank

From: Grinde, Kirsten - DOA
Sent: Tuesday, December 2, 2008 1:20 PM
To: Hoadley, Frank R - DOA; Schmiedicke, David P - DOA; Kraus, Jennifer - DOA
Subject: FW: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Frank,

This is the draft that excludes the tobacco settlement appropriation obligations repayment appropriation from the GPR spending limit.

Please let me know if you have any changes or questions.

Thanks,

Kirsten

From: Schlueter, Ron [mailto:Ron.Schlueter@legis.wisconsin.gov]
Sent: Tuesday, December 02, 2008 1:14 PM
To: Grinde, Kirsten - DOA
Cc: Hanaman, Cathlene - LEGIS; Beadles, Kathleen - DOA
Subject: LRB Draft: 09-0976/2 Exclusion of tobacco settlement appropriation obligation repayment from GPR appropriation cap

Following is the PDF version of draft 09-0976/2.

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State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0976/2 ³

RAC:kjfs

RMR

DOA:.....Grinde, BB0243 - Exclusion of tobacco settlement appropriation
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FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

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1 amount under an appropriation specified in sub. (3) (a) to (i), as determined under
2 sub. (4), may not exceed the sum of:

3 ~~SECTION 2. 13.40 (3) (jm) of the statutes is amended to read:~~

4 ~~13.40 (3) (jm) An appropriation under s. 20.505 (1) (bq) and (br).~~

5 ~~SECTION 3. 13.40 (3m) of the statutes is repealed.~~

6 (END)

Insert 2-5

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0976/3ins
RAC:kjf:rs

insert 2-5:

SECTION 1. 13.40 (2) (k) of the statutes is created to read:

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State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0976/3

RAC:kjf:ph

DOA:.....Grinde, BB0243 - Exclusion of tobacco settlement appropriation
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